

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
1998 Biennial Regulatory Review –)	CC Docket No. 98-195
Repeal of Part 62 of the)	
Commission’s Rules)	

**COMMENTS OF
QWEST COMMUNICATIONS CORPORATION**

Pursuant to the Commission’s Notice of Proposed Rulemaking (“NPRM”) released November 17, 1998 in the above-captioned proceeding, Qwest Communications Corporation (“Qwest”), by its attorneys, hereby submits these comments. Qwest strongly endorses the Commission’s proposed repeal of Part 62 governing interlocking directorates as well as all other related interlocking directorate reporting requirements that effectively would be repealed by the repeal of Part 62. Qwest urges swift action to eliminate unnecessary regulations that are no longer in the public interest.

INTRODUCTION

Qwest is a wholly-owned indirect subsidiary of Qwest Communications International, Inc., a publicly held, rapidly growing international telecommunications company. Following its merger with LCI International, Inc., Qwest is now one of the largest interexchange carriers in the United States. Qwest provides a full range of facilities-based and resold international services for voice and data communications. Qwest also constructs and installs state-of-the-art fiber optic communications systems for its own use and use by other carriers.

Qwest's own experience in the fast-changing and increasingly competitive international marketplace demonstrates that the elimination of unnecessary regulations, such as that proposed by the Commission in this proceeding, will permit more flexible marketplace responses that will benefit the public interest. For example, in preparing a recent joint application for a cable landing license, Qwest was required to undertake efforts to reconfirm that none of the officers or directors of any of its affiliated companies, including several newly acquired companies, held interlocking directorates. Ultimately, Qwest spent a significant amount of time and resources tracking down and polling all of the necessary individuals to confirm that there were no recently required interlocking directorates that had to be reported on the cable landing license application. The time and resources could have been much better spent bringing new and improved services to the telecommunications marketplace.

ARGUMENT

I. THE COMMISSION'S PROPOSALS SHOULD BE ADOPTED PROMPTLY

The Commission has proposed to eliminate its Part 62 regulations that require prior approval for interlocking positions with more than one carrier subject to the Act where one carrier is a dominant carrier and reporting of interlocking positions of more than one carrier subject to the Act involving non-dominant carriers, connecting carriers, cellular licensees operating in different geographic markets, and parents of carriers.

This proposed repeal eliminates burdensome regulation that has been rendered unnecessary by the current competitive climate and is duplicative of other laws, including other Title II provisions and the antitrust laws. Part 62 was promulgated in an era where the long distance market was dominated by a single service provider to prevent the

anticompetitive behavior that might arise from interlocking directorates. The present competitive domestic market place for interstate, interexchange service is distinctly different. Furthermore, as the Commission notes, other laws such as the Clayton Act prevent certain anticompetitive interlocks from occurring, making Part 62 no longer necessary. The proposed repeal accordingly will eliminate unnecessary regulatory burdens, legal fees, and costs, direct and indirect, of compliance. This will permit service providers to dedicate resources toward prompt implementation of service instead of unnecessary expenditures for regulatory compliance. Accordingly, the proposed repeal of Part 62 should be adopted as quickly as possible to bring these benefits to the marketplace.

II. THE COMMISSION SHOULD CONFIRM THAT INTERLOCKING DIRECTORATE REPORTING REQUIREMENTS WILL BE ELIMINATED ENTIRELY FROM ITS RULES

The Commission's proposal includes the elimination of every provision of Part 62.¹ Although the proposed repeal implicitly repeals all other provisions of the Commission's rules which require reporting of interlocking directorates, such as Section 63.18(h)(2) regarding applications for international common carriers and Section 1.767(a)(6) regarding cable landing licenses, the NPRM does not specify that these provisions would be eliminated. Clearly, these provisions should be eliminated for the same reasons the Commission set forth in the NPRM to support the repeal of Part 62. Accordingly, Qwest requests that the Commission confirm that the proposed repeal of

¹ Although the NPRM addresses repeal of Part 62 in its entirety, *e.g.*, ¶1, the NPRM does not address specifically whether the definitions in Section 62.2 will be repealed. NPRM at ¶6. Qwest assumes this is an oversight and urges the Commission to ensure that the definitions set forth in Section 62.2 be included in the overall repeal of Part 62.

Part 62 includes the elimination of the interlocking directorate reporting requirements from all other portions of the Commission's rules.

CONCLUSION

The Commission should adopt swiftly its proposed repeal of Part 62 and all other related interlocking directorate reporting requirements to permit the re-direction of carrier resources to the provision of services, with the corresponding benefits that this will bring to consumers.

Respectfully submitted,



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